



House of Representatives

General Assembly

File No. 186

February Session, 2008

Substitute House Bill No. 5639

House of Representatives, March 26, 2008

The Committee on Planning and Development reported through REP. FELTMAN of the 6th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING REVOCATION OF HEALTH PERMITS FOR FAILURE TO PAY PERSONAL PROPERTY TAXES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-146a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2008*):

3 (a) Any municipality, as defined in subsection (a) of section 12-41, or
4 any district health department, formed under chapter 368f, may
5 withhold [or revoke] any license or permit, issued by such
6 municipality or district health department, to operate a business
7 enterprise if any taxes levied by such municipality or, in the case of a
8 district department of health, by any constituent municipality of such
9 district, against personal property used in such business enterprise are
10 delinquent and have been so delinquent for a period of not less than
11 [one year] six months.

12 (b) The tax collector of the municipality or the tax collector of the

13 constituent municipalities of the district health department shall, on or
14 before January 1, 2009, and every six months thereafter, notify the
15 agency of the municipality or the district health department issuing
16 such permits of delinquent taxes levied by the municipality against
17 personal property used in business enterprises.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2008	12-146a

PD *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 09 \$	FY 10 \$
All Municipalities	Cost	Potential Minimal	Potential Minimal

Explanation

The bill requires municipal tax collectors to notify the municipal health department or the district health department of personal property tax delinquents every six months. The provision in the bill will result in a cost to municipalities for postage expenses if the report is not sent by electronic means to health departments.

The Out Years

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 11 \$	FY 12 \$	FY 13 \$
All Municipalities	Cost	Potential Minimal	Potential Minimal	Potential Minimal

OLR Bill Analysis**sHB 5639*****AN ACT CONCERNING REVOCATION OF HEALTH PERMITS FOR FAILURE TO PAY PERSONAL PROPERTY TAXES.*****SUMMARY:**

By law, municipalities and health district departments may withhold or revoke any license or permit they issued to a delinquent business property taxpayer. They may do so if the business is at least one year overdue in paying the taxes owed on its personal property.

This bill limits a health district department or municipal agency's enforcement power to withholding a license or permit and reduces the waiting period for doing so from one year to six months. It requires tax collectors to notify district health departments and municipal permitting agencies about those taxpayers that are behind in paying the property taxes due on their business personal property. Tax collectors must provide this notice every six months starting January 1, 2009.

EFFECTIVE DATE: July 1, 2008

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/10/2008)